

**2014 CITY OF SAN JOSE – ABMEI  
TENTATIVE AGREEMENT\***

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**TERM**

July 1, 2014 – June 30, 2015

**WAGES**

3% General Wage Increase

Effective June 22, 2014, all salary ranges for employees holding positions in classifications assigned to ABMEI shall be increased by approximately 3%.

**SIDE LETTER AGREEMENTS**

- Classification Review – See Attached
- Sustainable Transportation Incentive – See Attached

The following side letter will continue:

- Retiree Healthcare Stakeholder Solutions Working Group and Negotiations – See Attached

**OTHER**

The Union agrees to meet and confer on Retirement Board Governance changes that are within the scope of bargaining.

All other terms and conditions of the current MOA will continue through the term of this agreement.


**\* This agreement is considered tentative and shall not be considered final or binding until ratified by the membership and approved by the City Council. This document sets forth the full agreements of the parties reached during these negotiations. Anything not included in the document is not part of the Tentative Agreement.**

**FOR THE CITY:**


 6-5-14  
Alex Gurza  
Deputy City Manager Date


 6/5/14  
Jennifer Schembri  
Deputy Director of Employee Relations Date

 6/5/14  
Marco Mercado  
Assistant to the City Manager Date

 6/5/14  
Bill Gold  
Executive Analyst Date

**FOR THE UNION:**

 6-5-14  
George Schriefer  
ABMEI Negotiation Team Date

 6/5/14  
Karl Van Gastel  
ABMEI Negotiation Team Date

 6-5-14  
Don Lindsey  
ABMEI Negotiation Team Date

## SIDE LETTER AGREEMENT

BETWEEN

THE CITY OF SAN JOSE

AND

ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS (ABMEI)

### Classification Review

The City agrees that it will conduct a classification/compensation review by December 31, 2014, of the classifications represented by ABMEI where recruitment and retention issues are being experienced, including, but not limited to, classification structure, job duties, safety equipment, and compensation. The review would include a comparison of comparable work performed in comparable jurisdictions. During this review, the City agrees to provide ABMEI monthly updates or, at the request of ABMEI, meet with ABMEI to discuss the status of the review.

Following this review, the City agrees to meet with and seek input from ABMEI, and discuss the results of this review. This meeting shall not be considered meeting and conferring and the agreement to hold this meeting shall not be construed as an agreement to change anything related to classification structure and applicable benefits for classifications represented by ABMEI.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, any agreement reached between the City and the Union.

FOR THE CITY:

FOR THE EMPLOYEE ORGANIZATION:

  
\_\_\_\_\_  
Alex Gurza  
Deputy City Manager

6-5-14

Date

  
\_\_\_\_\_  
George Schriefer  
ABMEI Negotiation Team

6-5-14

Date

  
\_\_\_\_\_  
Jennifer Schembri  
Deputy Director of Employee Relations

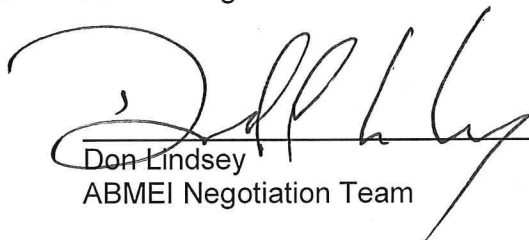
6/5/14

Date

  
\_\_\_\_\_  
Karl Van Gastel  
ABMEI Negotiation Team

6/5/14

Date

  
\_\_\_\_\_  
Don Lindsey  
ABMEI Negotiation Team

6.5.14

Date

## SIDE LETTER AGREEMENT

BETWEEN

THE CITY OF SAN JOSE

AND

THE ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS  
(ABMEI)

### Sustainable Transportation Incentive

The City and the Association of Building, Mechanical and Electrical Inspectors, (ABMEI), ("the Union") agree to continue discussing programs that provide subsidies for public transit which could be available to employees. Discussions shall include, but not be limited to, EcoPass, regional commuter assistance and pre-tax transit programs.

Either the City or the Union may provide notice to the other of its request to discuss programs that provide subsidies for public transit that could be available to employees. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or the Union receives notice from the other.

Agreeing to continue discussing programs that provide subsidies for public transit does not guarantee that any of the programs discussed will be adopted and/or implemented by the City. There are currently no funds designated for these programs.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, any agreement reached between the City and the Union.

FOR THE CITY:

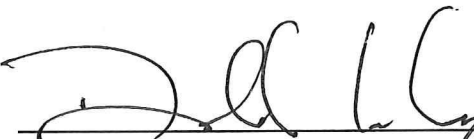
 6-5-14  
\_\_\_\_\_  
Alex Gurza Date  
Deputy City Manager

 6/5/14  
\_\_\_\_\_  
Jennifer Schembri Date  
Deputy Director of Employee Relations

FOR THE EMPLOYEE ORGANIZATION:

 6-5-14  
\_\_\_\_\_  
George Schriefer Date  
ABMEI Negotiation Team

 6/5/14  
\_\_\_\_\_  
Karl Van Gastel Date  
ABMEI Negotiation Team

 6-5-14  
\_\_\_\_\_  
Don Lindsey Date  
ABMEI Negotiation Team



## Side Letter Agreement

### RETIREE HEALTHCARE STAKEHOLDER SOLUTIONS WORKING GROUP AND NEGOTIATIONS

#### PURPOSE

The parties recognize the importance of funding the current retiree healthcare benefit, and since 2009, have been increasing contributions into the plan in order to begin paying the full Annual Required Contribution to ensure funding of the retiree healthcare benefit.

Neither the City nor the bargaining units have committed to close the plan. However, new employees will not enter the existing retiree healthcare plan. Since current employees share in paying the unfunded liabilities of the current retiree healthcare benefit, new employees who are not in the current plan would not be making those payments. The City has agreed to make the contributions towards the unfunded liabilities that those new employees would have paid had they been in the current plan. The City has agreed to do so in order to allow time for long-term solutions to be developed by a Retiree Healthcare Solutions Working Group ("Working Group") and negotiations.

The goal of the Working Group shall be to develop options that lead to long-term solutions to the retiree healthcare issue.

The City and the Coalition<sup>1</sup> have agreed to immediately continue working on solutions to retiree healthcare both through the Working Group and subsequent negotiations. The parties are committed to working collaboratively towards long-term solutions and have agreed to remain open to considering various options. The options considered will include, but are not limited to, the following:

- Using high-deductible healthcare plans in combination with individual health savings accounts;
- Limitations on the current retiree healthcare benefit in combination with individual health savings accounts;
- Tiered healthcare benefit structures based on length of employment;
- Modification of eligibility requirements;
- Health plan design and rate structure changes;
- Incentives for employees to work beyond normal retirement eligibility; and
- The inclusion or exclusion of new employees in any modifications, or the formation of a completely different plan for new employees.

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<sup>1</sup> The San Jose Federated Labor Coalition consists of the following nine (9) bargaining units: Association of Building, Mechanical, and Electrical Inspectors (ABMEI), Association of Engineers and Architects (AEA), Association of Legal Professionals (ALP), Association of Maintenance Supervisory Personnel (AMSP), City Association of Management Personnel (CAMP), Confidential Employees' Organization (CEO), International Brotherhood of Electrical Workers (IBEW), Municipal Employees' Federation (MEF) and International Union of Operating Engineers, Local #3 (OE#3).

## **RETIREE HEALTHCARE STAKEHOLDER SOLUTIONS WORKING GROUP**

### **Facilitator:**

By August 1, 2013, the City and the Coalition members will mutually agree on an independent person or entity that is knowledgeable in the area of retiree healthcare benefits to facilitate the Working Group.

The facilitator will facilitate the discussions, provide information to the parties, and generally assist in the development of options for long-term solutions. Upon the mutual agreement of the City and Coalition members, other subject matter experts may be engaged to assist in analyzing possible solutions.

The costs of the facilitator and any subject matter experts will be shared equally between the City and the Coalition members.

### **Participation:**

In addition to the City and a representative from each bargaining unit in the Coalition, members of the Working Committee will include a representative of the retirees, and any unrepresented employee group(s).

### **Meetings:**

The City and the Coalition will jointly schedule Working Group sessions in coordination with the facilitator. More frequent and longer Working Group sessions will be scheduled in the early stages of the process. The Working Group sessions will be open to employees and the public.

## **TIMELINE FOR RETIREE HEALTHCARE SOLUTIONS WORKING GROUP AND NEGOTIATIONS:**

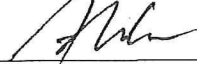
The Working Group shall agree upon a facilitator no later than August 1, 2013. The time period to schedule Working Group sessions will be from August 1, 2013, and conclude no later than December 31, 2013, unless the parties mutually agree to extend the timeframe. The City and the Coalition agree that this process will not supplant the meet and confer process regarding retiree healthcare.

Negotiations between the City and the bargaining units shall commence within 14 days upon notice of either party, but no earlier than January 1, 2014. The City and the bargaining units shall negotiate in good faith in an effort to reach a mutual agreement. Applicable impasse dispute resolution procedures shall apply. The parties intend to meet and confer through coalition bargaining. However, all parties reserve their respective rights to withdraw from coalition bargaining. In such an event, the City and any bargaining unit that withdraws from the Coalition will bargain separately.

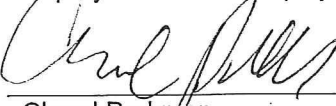
Side Letter Agreement  
Retiree Healthcare Stakeholder Solutions Working Group and Negotiations

This Side Letter Agreement is considered part of the tentative agreement on retiree healthcare with the bargaining units and shall become effective only as part of the overall retiree healthcare agreement. Each bargaining unit conducts separate ratification processes, and this Side Letter Agreement shall be effective for those bargaining units who ratify the overall tentative agreement on retiree healthcare and only during the term of those agreements with each respective bargaining unit.

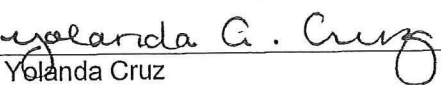
FOR THE CITY:


 6-11-13  
\_\_\_\_\_  
Alex Gurza Date  
Deputy City Manager

 6/11/13  
\_\_\_\_\_  
Jennifer Schembri Date  
Deputy Director of Employee Relations

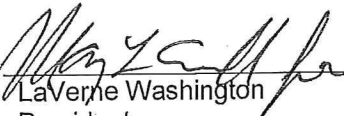
 6/11/13  
\_\_\_\_\_  
Cheryl Parkman Date  
Executive Analyst  
Office of Employee Relations


FOR THE UNION:

 6/10/13  
\_\_\_\_\_  
Yolanda Cruz Date  
President  
MEF, AFSCME Local 101

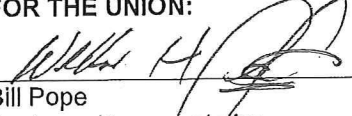
 6/10/13  
\_\_\_\_\_  
Charles Allen Date  
Business Agent  
AFSCME, Local 101

FOR THE UNION:


 6/10/13  
\_\_\_\_\_  
Laverne Washington Date  
President  
CEO, AFSCME Local 101

 6/10/13  
\_\_\_\_\_  
Charles Allen Date  
Business Agent  
AFSCME, Local 101

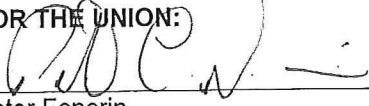
FOR THE UNION:

 6/13/13  
\_\_\_\_\_  
Bill Pope Date  
Business Representative  
Operating Engineers, Local 3

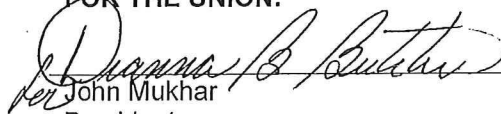
FOR THE UNION:


 6/13/13  
\_\_\_\_\_  
Vera Todorov Date  
President  
ALP

FOR THE UNION:

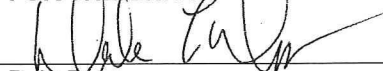
 6/10/13  
\_\_\_\_\_  
Peter Fenerin Date  
President  
ABMEI

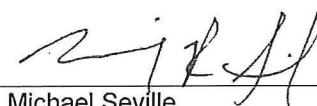
FOR THE UNION:

  
John Mukhar  
President  
AEA, IFPTE Local 21  
6/10/13  
Date

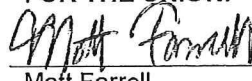
  
Michael Seville  
Acting Senior Representative  
IFPTE, Local 101  
6/10/13  
Date


FOR THE UNION:

  
Dale Dapp  
President  
AMSP, IFPTE Local 21  
6/10/2013  
Date

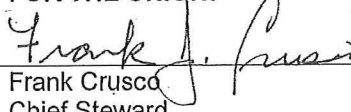
  
Michael Seville  
Acting Senior Representative  
IFPTE, Local 101  
6/10/13  
Date

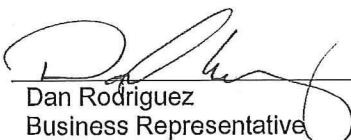
FOR THE UNION:

  
Matt Farrell  
President  
CAMP, IFPTE Local 21  
6/10/2013  
Date

  
Michael Seville  
Acting Senior Representative  
IFPTE, Local 101  
6/10/13  
Date

FOR THE UNION:

  
Frank Crusco  
Chief Steward  
IBEW, Local 332  
6-10-13  
Date

  
Dan Rodriguez  
Business Representative  
IBEW, Local 332  
6/10/13  
Date